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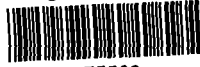
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275560

VINCENT B. STAMP
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September 1, 1999

Craig Melodia
Assistant Regional Counsel
U.S. EPA
Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3590

Re: Skinner Landfill Matter

Dear Mr. Melodia:

Pursuant to the requests contained in your telephone message of August 31, 1999, I am enclosing an affidavit executed by Jane C. McGregor, senior in-house counsel to Procter & Gamble ("P&G"). I am also enclosing all portions of P&G's Skinner Landfill ADR Allocation Questionnaire response that relate to Chem-Dyne in any manner.

There are several references in the ADR response to invoices showing that the disposal cost in the 1975-1976 time frame was \$9,000 per load. As Mr. Barkett pointed out in his preliminary allocation, the correct amount was \$900 per load (see page 1 of P&G's revised submittal produced to Ms. Estes on August 6, 1999).

I believe that this information satisfies your request. However, if you have any questions regarding this material, give me a call at your convenience.

Very truly yours,

Vincent B. Stamp

VBS:ss

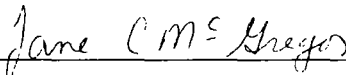
AFFIDAVIT

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

I, Jane C. McGregor, by way of this affidavit, having been first duly sworn and cautioned, do hereby certify that the following statements are true and accurate:

1. I am an in-house legal counsel for The Procter & Gamble Company ("P&G").
2. I have been an in-house counsel at P&G since 1985.
3. In my position as in-house counsel to P&G, I had primary responsibility for responding to the Skinner Landfill ADR questionnaire as well as performing investigations regarding P&G's disposal activities as such activities related to the Skinner Landfill.
4. During my investigations, I have spoken to company personnel, both active and retired, whom I and others determined might have information regarding P&G's disposal activities as such activities related to the Skinner Landfill.
5. During my investigations, I have reviewed corporate and other documents reflecting hauling and disposal activities of P&G back to at least 1973, and in some cases further back in time.
6. I have not seen or heard any evidence during my investigations of P&G's disposal activities at the Skinner Landfill that indicate that any P&G wastes transferred to Chem-Dyne were disposed at the Skinner Landfill, except for testimonial evidence offered by former Skinner Landfill employee Roger Ludwig when he testified that he had disposed of one load of lab waste at Skinner which he had been told was P&G lab waste.
7. I have performed, in good faith, a complete and thorough investigation regarding P&G's disposal activities as they relate to the Skinner Landfill.

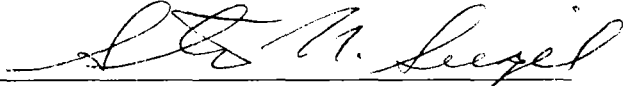
FURTHER AFFIANT SAYETH NAUGHT.



Signature of Affiant

Sworn to and subscribed before me, a Notary Public, this 1st day of September, 1999.

STEVE N. SIEGEL, Attorney at Law
Notary Public, State of Ohio
My Commission has no expiration date.
Section 147.03



Signature of Notary Public

The shipment of 50 paper drums of lab waste noted in the nexus documents allegedly was brought from Chem-Dyne by Mr. Skinner to the Site in the mid 1970's timeframe. P&G does have some business records of the Chem-Dyne Corporation received from the Department of Justice in 1983 as part of the Chem-Dyne Superfund case. The documents consist of transaction documents dating from 1975 through 1976 and are attached in response to question 5. They detail interactions between Chem-Dyne Corporation and Robert Ross & Sons, Inc. They include transactions involving P&G lab waste that Chem-Dyne sent to Ross for incineration in Grafton, Ohio. The quantity attributed to P&G in that suit was 871 drums.

(vi) The nexus package includes references to the following materials and products having allegedly been seen at the Skinner Landfill:

7) Laboratory waste in one shipment of 50 paper barrels was allegedly transported from Chem-Dyne to Skinner in the mid 1970's. A Skinner landfill worker recalls being told it was from P&G. Lab waste may have been generated by the Ivorydale Technical Center.

(vi) The nexus package refers to one shipment of 50 paper barrels of lab waste from Chem-Dyne being brought to the Site. The Sharon Woods Technical Center generates laboratory waste.

(vii) For each material generated that was alleged in the nexus package, provide a description:

Laboratory waste - consists of generally available commercial chemical laboratory chemicals.

- A) Lab waste is varied. The nature of research and development results in small quantities of a variety of types of commercially available chemicals being disposed.
 - B) Lab waste is generated from research on health and beauty products.
 - C) Based on the nature of research there would be varying amounts of waste on a monthly basis. P&G has not located information to base a monthly or annual amount of lab waste generated.
 - D) The nexus documents allege one shipment consisting of 50 paper barrels of laboratory waste was brought from Chem-Dyne to Skinner in the mid-1970's timeframe.
 - E) Chem-Dyne transported lab waste from P&G in the 1975-1976 timeframe.
 - F) Lab waste is generally shipped in barrels.
 - G) The transportation and disposal price would have probably varied over the years. The documents associated with the Chem-Dyne Superfund sites show disposal cost in the 1975-1976 timeframe of \$9000 per "load" (which is not defined) for a combined pick-up from all four Cincinnati Technical Centers. The pick-ups appear to be monthly.
- (viii) P&G has not located any documents or persons with a recollection of lab waste going to Skinner Landfill. Documents show lab waste going via Chem-Dyne to Robert Ross & Sons, Inc. for incineration.
- (v) MVL houses researchers who conduct consumer product research. The categories researched include Food & Beverage products, Laundry products, Paper products, and Health Care products. There is an allegation that

• during the mid-1970', one shipment of 50 paper barrels of laboratory waste was brought from Chem-Dyne by Mr. Skinner to the Site. MVL is one of the technical centers that generated laboratory waste.

- (vi) The laboratory waste consisted of generally available commercial laboratory chemicals.
- (vii) For each material generated that was alleged in the nexus package, provide a description:
 - A) Laboratory waste is varied. The nature of research and development results in small quantities of a variety of types of commercially available chemicals being disposed.
 - B) Labs conducting consumer product research would generate lab waste.
 - C) Based on the nature of research there would be varying amounts of waste on a monthly basis. P&G has not located information to base a monthly or annual amount of lab waste generated.
 - D) The nexus documents allege one shipment consisting of 50 paper barrels of laboratory waste was brought from Chem-Dyne to Skinner in the mid-1970's timeframe.
 - E) Chem-Dyne transported lab waste from P&G in the 1975-1976 timeframe.
 - F) Lab waste is generally shipped in barrels.
 - G) The transportation and disposal price would have probably varied over the years. The documents associated with the Chem-Dyne Superfund sites show disposal cost in the 1975 - 1976 timeframe of \$9000 per "load" (which is not defined) for a combined pick-up from all four Cincinnati Technical Centers. The pick-ups appear to be monthly.
- (viii) P&G has not located any documents or persons with a recollection of lab waste going to Skinner Landfill.

- (iii) There was no predecessor at the facility.
- (iv) There was no successor at the facility.
- (v) The Winton Hill Technical Center consists of offices and research and development facilities where employees focus on research for consumer products including paper, food and beverage and soap.
- (vi) The nexus package refers to one shipment of 50 paper barrels of lab waste from Chem-Dyne. The Winton Hill Technical Center generates some laboratory waste.
- (vii) For each material generated that was alleged in the nexus package, provide a description:

Laboratory waste - consists of generally available commercial chemical laboratory chemicals.

 - A) Lab waste is varied. The nature of research and development results in small quantities of a variety of types of commercially available chemicals being disposed.
 - B) Lab waste is generated from research and development on consumer products.
 - C) Based on the nature of research there would be varying amounts of waste on a monthly basis. P&G has not located information to base a monthly or annual amount of lab waste generated.
 - D) The nexus documents allege one shipment consisting of 50 paper barrels of laboratory waste was brought from Chem-Dyne to Skinner in the mid-1970's timeframe.
 - E) Chem-Dyne transported lab waste from P&G in the 1975-1976 timeframe.
 - F) Lab waste is generally shipped in barrels.
 - G) The transportation and disposal price would have probably varied over the years. The documents associated with the Chem-Dyne Superfund sites show disposal cost in the 1975 - 1976 timeframe of \$9000 per "load" (which is not defined) for a combined pick-up from all four Cincinnati Technical Centers. The pick-ups appear to be monthly.
- (viii) P&G has not located any documents or persons with a recollection of lab waste going to Skinner Landfill.

- a) Procter & Gamble has conducted an extensive search, including reviewing document files and invoices and interviewing numerous employees to determine if any documents or recollections note P&G waste going to the Skinner Landfill. No connection to the Site has been found.
- b) P&G conducted an extensive search of accounts payable records from 1973-1990. (P&G does not have invoices dated prior to 1973.)

27. Explain steps taken to perform a full and thorough investigation.

- P&G has reviewed all nexus documents and subsequently followed up by investigating each mention of P&G being at the site. All relevant files from Cincinnati area have been reviewed.
- P&G has identified and interviewed numerous participants in waste disposal decisions. The P&G Corporate Archives have been searched to determine past practices and gain information on prior products.
- Additionally, P&G has spent over 300 hours reviewing the accounts payable database

DINSMORE & SHOHL**FACSIMILE TRANSMITTAL****from VINCENT B. STAMP****AUGUST 31, 1999****To: Mr. Craig Melodia****Fax #: 312-886-7160****Firm:****Client #: office****Pages: 4**
(including cover)**Comments:**

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If there are any problems in receiving this transmission, please call (513) 977-8483 immediately.

Thank you

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August 31, 1999

Craig Melodia
Assistant Regional Counsel
U.S. EPA
Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3590

Re: Skinner Landfill Matter

Dear Mr. Melodia:

Per our discussion of last Friday, I am including herein Mr. Barkett's ADR determination regarding the P&G/Chem-Dyne matter. This provides additional support for U.S. EPA's approval of P&G as a *de minimis* settlor at this time.

As you know, U.S. EPA issued its report on March 26, 1998 regarding entities the Agency had determined disposed of waste at the Skinner Landfill by way of transshipments from Chem-Dyne. U.S. EPA did not identify P&G as being responsible for waste found at Skinner. John Barkett also received a copy of the report long before his preliminary report was issued on October 6, 1998. Mr. Barkett continued to investigate any evidence that would lead to the conclusion that P&G should be assigned waste, despite being aware that U.S. EPA had not assigned any allocation to P&G in its report. In the Chem-Dyne portion of the Preliminary Allocation, Mr. Barkett said that "I have already addressed Procter & Gamble separately and while it appears to have been a large user of Chem-Dyne's services, I have elected to omit it from *any portion of the Chem-Dyne* share in light of the assignment to it of wastes based on Roger Ludwig's testimony." (Preliminary Allocation, p. 87 (emphasis added) (copy attached)).

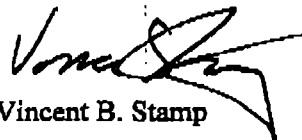
During the ADR process relating to the Skinner Landfill, Mr. Barkett examined, in detail, each piece of evidence turned over to him by PRPs and plaintiffs in the matter, and considered every word of testimony given by various deponents. Mr. Barkett pressed each deponent whenever there

was the slightest chance that the deponent possessed first-hand knowledge regarding disposal practices of any of the parties. Mr. Barkett determined, after all documentary and testimonial evidence was in, that P&G was not to be treated like other "Chem-Dyne parties." Instead, Mr. Barkett found that he could allocate only one Chem-Dyne load of material disposed at the Skinner Landfill to P&G, and this allocation was based on the testimony of Roger Ludwig.

Mr. Ludwig's testimony regarding P&G's lab waste comprised parts of four (4) pages of the revised allocation document that Ms. McGregor sent to Ms. Estes on August 6, 1999. Despite evidentiary problems with Mr. Ludwig's testimony, Mr. Barkett, based on the content of the testimony, determined that one load, *and only one load*, of chemical lab waste should be assigned to P&G. Mr. Barkett specifically questioned Mr. Ludwig regarding any other times he saw "paper barrels like this in any other load." Mr. Ludwig's reply was, "No, that's the only load." (Ludwig Depo., p. 156, P&G submittal, p. 13).

One of the main focuses of Mr. Barkett's investigations was to determine the Chem-Dyne transshippers contributions to the Skinner Site. Having fully investigated the issues as to P&G and the others, he determined that Chem-Dyne had transferred only 1 load of P&G waste from P&G to Skinner, and therefore he would treat P&G separately from the other Chem-Dyne parties. We believe that the record that U.S. EPA now has supports Mr. Barkett's determination that P&G is a *de minimis* party at Skinner. Therefore, U.S. EPA should approve P&G's *de minimis* settlement at this time.

Very truly yours,



Vincent B. Stamp

VBS:ss

Other Parties In the ADR Process Which Used Chem-Dyne. Other parties in this ADR process used Chem-Dyne according to their questionnaire responses.

I have already addressed Procter & Gamble separately and while it appears to have been a large user Chem-Dyne's services, I have elected to omit it from any portion of the Chem-Dyne share in light of the assignment to it of wastes based on Roger Ludwig's testimony.